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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 666

02/09/2015 Authored by Peterson, Drazkowski, Nash, Fenton, Daniels and others

The bill was read for the first time and referred to the Committee on Government Operations and Elections Policy

02/23/2015 Adoption of Report: Amended and re-referred to the Committee on State Government Finance

1.1 A bill for an act
1.2 relating to state government; requiring legislative approval of salaries for certain
1.3 executive branch officials; rescinding salary increases; amending Minnesota
1.4 Statutes 2014, sections 3.855, subdivision 3; 15A.0815, subdivisions 1, 5.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 3.855, subdivision 3, is amended to read:

1.7 Subd. 3. **Other salaries and compensation plans.** The commission shall also:

1.8 (1) review and approve, reject, or modify a plan for compensation and terms and
1.9 conditions of employment prepared and submitted by the commissioner of management
1.10 and budget under section 43A.18, subdivision 2, covering all state employees who are
1.11 not represented by an exclusive bargaining representative and whose compensation is not
1.12 provided for by chapter 43A or other law;

1.13 (2) review and approve, reject, or modify a plan for total compensation and terms
1.14 and conditions of employment for employees in positions identified as being managerial
1.15 under section 43A.18, subdivision 3, whose salaries and benefits are not otherwise
1.16 provided for in law or other plans established under chapter 43A;

1.17 (3) review and approve, reject, or modify recommendations for salaries submitted
1.18 by ~~an~~ the governor or other appointing authority ~~other than the governor~~ under section
1.19 15A.0815, subdivision 5, covering agency head positions listed in section 15A.0815;

1.20 (4) review and approve, reject, or modify recommendations for salary range of
1.21 officials of higher education systems under section 15A.081, subdivision 7c;

1.22 (5) review and approve, reject, or modify plans for compensation, terms, and
1.23 conditions of employment proposed under section 43A.18, subdivisions 3a, 3b, and 4; and

2.1 (6) review and approve, reject, or modify the plan for compensation, terms, and
2.2 conditions of employment of classified employees in the office of the legislative auditor
2.3 under section 3.971, subdivision 2.

2.4 Sec. 2. Minnesota Statutes 2014, section 15A.0815, subdivision 1, is amended to read:

2.5 Subdivision 1. **Salary limits.** The governor or other appropriate appointing
2.6 authority shall set the salary rates for positions listed in this section within the salary limits
2.7 listed in subdivisions 2 to 4. ~~If the appointing authority is not the governor,~~ The governor's
2.8 or other appointing authority's action is subject to approval of the Legislative Coordinating
2.9 Commission and the legislature as provided by subdivision 5 and section 3.855.

2.10 Sec. 3. Minnesota Statutes 2014, section 15A.0815, subdivision 5, is amended to read:

2.11 Subd. 5. **Determining individual salaries.** (a) ~~When~~ The governor is the or other
2.12 appointing authority, ~~the governor must establish salaries~~ may submit to the Legislative
2.13 Coordinating Commission recommendations for salaries within the salary limits for the
2.14 positions listed in subdivisions 2 to 4. ~~Before establishing~~ recommending a salary, the
2.15 governor or other appointing authority must consult with the commissioner of management
2.16 and budget concerning the salary. ~~In establishing the~~ recommending a salary, the governor
2.17 or other appointing authority shall consider the criteria established in section 43A.18,
2.18 subdivision 8, and the performance of individual incumbents. The performance evaluation
2.19 must include a review of an incumbent's progress toward attainment of affirmative action
2.20 goals. The governor or other appointing authority shall establish an objective system for
2.21 quantifying knowledge, abilities, duties, responsibilities, and accountabilities, and in
2.22 determining recommendations rate each position by this system.

2.23 (b) ~~An appointing authority other than the governor may submit to the Legislative~~
2.24 ~~Coordinating Commission recommendations for salaries within the salary limits for the~~
2.25 ~~positions listed in subdivisions 2 to 4.~~

2.26 ~~Before submitting the recommendations, the appointing authority shall consult with~~
2.27 ~~the commissioner of management and budget concerning the recommendations.~~

2.28 ~~In making recommendations, the appointing authority shall consider the criteria~~
2.29 ~~established in section 43A.18, subdivision 8, and the performance of individual~~
2.30 ~~incumbents. The performance evaluation must include a review of an incumbent's progress~~
2.31 ~~toward attainment of affirmative action goals. The appointing authority shall establish~~
2.32 ~~an objective system for quantifying knowledge, abilities, duties, responsibilities, and~~
2.33 ~~accountabilities, and in determining recommendations, rate each position by this system.~~

3.1 Before the governor or other appointing authority's recommended salaries take
3.2 effect, the recommendations must be reviewed and approved, rejected, or modified
3.3 by the Legislative Coordinating Commission and the legislature under section 3.855,
3.4 subdivisions 2 and 3.

3.5 (c) The governor or other appointing authority may propose additions or deletions of
3.6 positions from those listed in subdivisions 2 to 4.

3.7 (d) The governor or other appointing authority shall set the initial salary of a head
3.8 of a new agency or a chair of a new metropolitan board or commission whose salary
3.9 is not specifically prescribed by law after consultation with the commissioner, whose
3.10 recommendation is advisory only. The amount of the new salary must be comparable to the
3.11 salary of an agency head or commission chair having similar duties and responsibilities.

3.12 (e) The salary of a newly appointed head of an agency or chair of a metropolitan
3.13 agency listed in subdivisions 2 to 4 ~~who is appointed by someone other than the governor,~~
3.14 may be increased or decreased by the governor or other appointing authority from the
3.15 salary previously set for that position within 30 days of the new appointment after
3.16 consultation with the commissioner. If the appointing authority increases a salary under
3.17 this paragraph, the appointing authority shall submit the new salary to the Legislative
3.18 Coordinating Commission and the full legislature for approval, modification, or rejection
3.19 under section 3.855, subdivisions 2 and 3.

3.20 ~~(f) Within 30 days of approving a change in a salary for a position in subdivisions 2~~
3.21 ~~to 4, the governor must inform the Legislative Coordinating Commission of the change~~
3.22 ~~in salary and its effective date.~~

3.23 **Sec. 4. 2015 INCREASES RESCINDED.**

3.24 The salary increases that took effect in January 2015 for positions listed in Minnesota
3.25 Statutes, section 15A.0815, are rescinded, effective at the start of the first payroll period
3.26 after the effective date of this section. Effective at the start of that payroll period, salaries for
3.27 these positions are the salaries that were paid in December 2014 and may not be increased,
3.28 except under the process specified in Minnesota Statutes, section 15A.0815, subdivision 5.

3.29 **Sec. 5. EFFECTIVE DATE.**

3.30 Sections 1 to 4 are effective the day following final enactment.